

## COLLEGE STUDENT AID COMMISSION[283]

### Notice of Intended Action

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code sections 261.3 and 261.19(5), the College Student Aid Commission hereby gives Notice of Intended Action to rescind Chapter 14, “Osteopathic Physician Recruitment Program,” and to adopt new Chapter 14, “Health Care Professional Recruitment Program,” Iowa Administrative Code.

The rules in Chapter 14 describe the administration of the Iowa Osteopathic Physician Recruitment Program. This amendment rescinds the current rules and proposes, in their place, rules to implement the new Health Care Professional Recruitment Program enacted by the Iowa General Assembly in 2011 Iowa Acts, House File 645, section 12, which replaces the current program.

Interested persons may submit comments orally or in writing by 4:30 p.m. on January 17, 2012, to the Executive Director, Iowa College Student Aid Commission, 603 East 12th Street, Fifth Floor, Des Moines, Iowa 50319-9017; fax (515)725-3401.

The Commission does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, the Commission estimates that approximately seven additional health care professionals will be hired in rural Iowa communities.

These rules are intended to implement Iowa Code section 261.19 as amended by 2011 Iowa Acts, House File 645, section 12.

The following amendment is proposed.

Rescind 283—Chapter 14 and adopt the following **new** chapter in lieu thereof:

### CHAPTER 14

### HEALTH CARE PROFESSIONAL RECRUITMENT PROGRAM

#### PREAMBLE

The health care professional recruitment program is established to be administered by the college student aid commission for Des Moines University. The program shall consist of a loan repayment program for health care professionals who are graduates of Des Moines University. The college student aid commission shall regularly adjust the health care professional service requirement under each aspect of the program to provide, to the extent possible, an equal financial benefit.

#### **283—14.1(261) Definitions.**

*“Eligible rural community”* means a medically underserved rural Iowa community which agrees to match state funds on at least a dollar-for-dollar basis for the loan repayment of a health care professional who practices in the community.

*“Health care professional”* means an individual who holds a practitioner’s license issued by an agency or board under the Iowa department of public health and is employed as a physician, physician assistant, podiatrist, or physical therapist.

#### **283—14.2(261) Health care professional loan repayment program.**

**14.2(1) Recruitment.** The university shall recruit and place health care professionals in eligible rural communities that agree to provide matching funds for the health care professional loan repayment program.

**14.2(2) *Health care professional service requirement.*** The health care professional service requirement for the health care professional loan repayment program is four years. The health care professional must annually verify, in a format acceptable to the commission, that the health care professional practiced in an eligible rural community for 12 consecutive months for each year of required service. An award will be prorated based on the months of service provided in a state fiscal year if less than 12 months.

**14.2(3) *Award.*** The health care professional may receive up to \$50,000 in state-funded repayment benefits when a community agrees to fund matching benefits of an equal or greater amount.

**14.2(4) *Eligible loans.*** Eligible loans include subsidized and unsubsidized Stafford loans, Grad PLUS loans and consolidated loans. Only the outstanding portion of a Federal Consolidation Loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan, an eligible Direct Subsidized Loan, an eligible Direct Unsubsidized Loan, or an eligible Grad PLUS Loan qualifies for loan repayment.

**14.2(5) *Disbursement.*** The commission shall disburse the loan payment to the health care professional's loan holder in return for completion of the service requirements in an eligible rural community.

**14.2(6) *Restrictions.*** A health care professional who is in default on a Stafford loan, SLS loan, Grad PLUS loan, or a Perkins/National Direct/National Defense student loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for repayment benefits. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapter 5, Iowa Administrative Code.

**14.2(7) *Repayment.***

*a.* If loan repayment funds are applied prior to the health care professional's completion of the service requirement and the health care professional fails to complete the service requirement, repayment shall begin 30 days following termination of practice in an eligible rural community.

*b.* The commission shall prorate the award balance based on the months of service provided.

*c.* The health care professional shall repay the prorated balance of the loan repayment benefits and accrued interest at 12 percent per annum. Interest shall accrue on the unpaid principal balance of each loan from the effective date of the loan repayment agreement until the loan is paid in full.

*d.* The prorated balance owed by the health care professional must be paid in full within three years from the date the service ends.

**283—14.3(261) Osteopathic forgivable loan.**

**14.3(1) *Physician service requirement.*** The physician service requirement for the osteopathic forgivable loan program is one year for borrowers who received up to two annual loans and two years for borrowers who received three or more annual loans.

**14.3(2) *Promissory note.*** Loans disbursed are subject to the terms and conditions specified in the promissory note. The college student aid commission shall honor master promissory notes signed while a borrower is attending the university and shall enforce the loans according to the terms and conditions provided in the master promissory note.

These rules are intended to implement Iowa Code section 261.19 as amended by 2011 Iowa Acts, House File 645, section 12.